

Testimony from Kelly DeMatteo of the Connecticut Apartment Association on February 21, 2023

Before the Connecticut General Assembly's Housing Committee in Opposition of Proposed Bill H.B.No. 6588 An Act Concerning Rent Stabilization and H.B.No 6589 An Act Concerning Rent Stabilization in Mobile Manufacturing Home Parks

The Connecticut Apartment Association (CTAA) is a non-profit organization representing over 65,000 apartment homes in Connecticut along with over 100 Business Partners (vendor suppliers i.e., plumbers, electricians to the multi-family apartment home industry). I am currently in the volunteer role of President at the CTAA and I work full time as the VP of Property Management at Trio Properties.

I have spent over 23 years in the property management industry here in CT. I was fortunate enough to become a leasing agent just shortly after graduating from Eastern CT State University with a bachelor's in economics. I remember telling my mom "I saw an advertisement in the Hartford Courant for a Leasing Consultant ad in Rocky Hill, that sounds fun". I worked in restaurants serving people and loved the challenge of customer service. With my family having roots in multi-family, it's how my father could afford to help my brother and I with our college educations, my mother encouraged me to take the "fun" job. I am grateful she urged me to try it, I have enjoyed servicing hundreds of thousands of CT residents over the years with one of the most important aspects of their lives, their Home!

During the pandemic our industry was considered essential and all of us continued to work tirelessly to provide quality housing for the residents of CT. This is because the CTAA and our multifamily housing providers are a large part of the foundation of Connecticut Living. We want to continue to work together, to be a resource, to help stabilize and grow the multifamily rental housing industry here in CT. Unfortunately restrictions like Rent Stabilization will have unintended consequences that will hinder our ability to continue to do so.

Quality Housing Providers need to have capital to reinvest and continue to maintain the current stock in CT. Aging assets that aren't properly taken care of are harmful to residents. To those same residents the bill is intended to help, instead it is hurting. Property values will fall sharply, impacting municipalities and individuals. Our living communities are often amongst the highest property taxpayers in the cities and towns they are within and homeowners will be the ones to fund the gap when towns tax rolls are decreased because of decreased rent rolls. New development will stop in its tracks. This has been proven where rent caps have been implemented. Driving out so many jobs in CT, think of all the hands in the pot, from banks, to utility providers (phone, cable, gas, electric) to municipalities, to the construction industry, the list goes on and on. Where supply is limited, demand will be up and the concern of housing all the residents that choice to rent in CT is impossible to manage.

Rents should fairly represent the cost of providing quality rental housing in our state, which should be inclusive of maintenance, repair, upkeep, utility, property taxes, insurance, labor costs and capital investments. Supply and demand dictate the success of this, increasing supply will decrease the cost to residents. CTAA offers to work with you to increase the supply of affordable housing to residents off all incomes in CT. We offer ideas with proven track records like loosening restrictive zoning rules. We also encourage funding of successful established programs by HUD and DOH.

Thank you for hearing from me and for your time today.

